

Item Title: Authorization of Sale by Sealed Bid for the Mount Auburn School Property at 2425 E. Garner Road, Garner, NC

Specific Action Requested:

That the Board of Commissioners:

- 1. Declares as surplus the County property located at 2425 East Garner Road and commonly known as “Mount Auburn School” property; and**
- 2. Adopts a Resolution authorizing staff to initiate a Sealed Bid Sale of the Mount Auburn School property, pursuant to NCGS 160A-268.**

Item Summary:

In 1984, Wake County purchased the 6.46-acre Mount Auburn School facility from the Wake County Public School System. The Wake County Sheriff operated a training facility on this site until the Wake County Law Enforcement Training Facility was completed in 2010.

Mount Auburn is located east of Garner and just north of US Highway 70 at 2425 East Garner Road. From County records, it appears the school building was built in the mid to late 1920's and the gymnasium was built in 1954. The facility was served by an onsite water tower and sand filter septic system, both typical for rural areas at the time of construction. The septic system had become in need of repair or replacement around the time the Sheriff ceased using the facility. Rather than incur a \$15,000 per year inspection bill for the system while the buildings were empty, County staff concluded the system should be shut down or “parked,” pursuant to State waste water regulations.

The nature of this area remains rural and residential. There are currently no plans to extend municipal services such as water and sewer to this area. The lack of municipal water and sewer significantly limits future use of the property for governmental and most other purposes. The physical condition of the Mount Auburn facility has also deteriorated since the Sheriff moved their training facilities in 2010. A significant investment of time and money will be required to determine the feasibility of any proposed project on this site. The proposed buyer has completed some preliminary due diligence work.

County staff has explored a number of uses for the Mount Auburn facility, including affordable housing and resuming the use as a school. Some of the issues that kept proving as problematic were:

- Lack of public transportation
- High cost of asbestos and mold removal
- High cost of viable waste removal solutions
- High cost of roof repair/replacement
- High cost to replace HVAC systems with modern solutions

- High cost of life safety system repair/replacement

With all of the challenges in mind, the Mount Auburn facility was appraised in May 2015 by Michael Ogburn of Birch-Ogburn Appraisers. Mr. Ogburn came recommended by Preservation North Carolina and has extensive experience appraising properties such as Mount Auburn. After investigating all of the circumstances, Mr. Ogburn found that the market value of the property was \$1.5 million and that the cost to cure or clear the property would exceed that amount. Mr. Ogburn concluded that the net Fair Market Value Estimate was \$0. A copy of the appraisal is attached.

The appraisal indicates that very few uses are feasible for Mount Auburn at this time due to the limited number of reasonable septic/sewer options. Grace Reformed Church has determined that their program may be allowed due to the limited days of use they have planned. The leadership of Grace Reformed completed some preliminary due diligence testing and considering the costs ahead of them, is prepared to submit an offer.

Wake senior staff has considered all available options for disposition of the Mount Auburn property and determined an advertised seal bid process to be the most favorable method of disposition for the County.

Per NCGS 160A-268, the process for selling real property by sealed bid begins with a Board of Commissioners' resolution that:

1. Identifies the property;
2. Authorizes the sale;
3. Sets out all terms and conditions;
4. Specifies the date, time and place of bid opening;
5. Describes any deposit requirements and sets the date by which the highest bid will be accepted or rejected.

The proposed resolution setting out the criteria for the bid is attached.

County staff recommends adoption of the attached Resolution to begin the sealed bid process. Staff from the previously mentioned departments will evaluate the bids and bring the chosen offer back to the Board at a future date for final approval. At that future meeting, the Board will have an option to accept or not to accept any offer to purchase this property, as it sees fit.

Attachments:

1. Area Map
2. Aerial View of the Subject Property
3. Notice of Sale by Sealed Bid
4. Sealed Bid Contract Form